

Amendment  
Serial No. 09/773,156

Docket No. PHNL000031

**IN THE SPECIFICATION:**

**Kindly amend the specification as follows:**

**On page 1 amend the fourth paragraph as follows:**

Designing an MPEG encoder is thus a matter of balancing circuitry complexity and memory capacity (i.e. chip area) versus compression efficiency. Hence, there is a need for a flexible MPEG encoder. In view thereof, the company of Philips introduced an integrated circuit on the market, which allows I and P coding only. The circuit produces IPPP sequences of images having a resolution of 720x576 pixels, usually referred to as '601' or 'D1' resolution